

## Currency Impact

**Table-6: Currency Movement - FOREX Rates**

Currency	05-29-2020	06-05-2020	Wk-on-Wk % Change
Indian Rupee (INR) RBI ref rate	75.64	75.47	-0.22
Euro (EUR)	1.11	1.13	1.68
Japanese Yen (JPY)	107.77	109.58	1.68
Brazilian Real (BRL)	5.34	4.96	-7.10
Chinese Yuan (CNY)	7.13	7.08	-0.76
Singapore Dollar (SGD)	1.41	1.39	-1.35
Tanzanian Shilling (TZS)	2314.00	2315.00	0.04
Thai Baht (THB)	31.81	31.50	-0.97
Mozambique New Metical (MZN)	68.70	68.85	0.22
Vietnam Dong (VND)	23280.00	23255.00	-0.11
Indonesian Rupiah (IDR)	14610.00	13850.00	-5.20
Benin CFA Franc BCEAO (XOF)	586.49	577.02	-1.61
Ghanaian New Cedi (GHS)	5.79	5.77	-0.26

Symbol	Support S1	S2	Resistance (R1)	R2
USDINR	75.00	74.50	76.00	76.50
USDBRL	4.85	4.70	5.35	5.60
USDVND	23200	23150	23350	23400

### Indian rupee may trade with positive bias

Indian rupee last week traded in the region of 75.77 and 74.97 and finally settled the week at 75.56.

Strong FII inflows in to the market and along with opening of economy on more fronts post Covid lockdown have resulted in positive investor sentiment.

On the other hand, USD has appreciated on the back of better than expected jobless claim data. About 2.5 million jobs were added in the month of May. This is as against the expectation of the jump in unemployment rate to 19 percent but the actual figures came in at 13.3 percent.

Indian rupee may trade in the broader region of 74.00 and 76.00 in the next one to two weeks' period.

### **Brazil real gains sharply**

Brazil real last week traded in the region of 5.4196 and 4.9328 against the dollar and settled the week at 4.9592. Brazil real for the first since March last week has breached the levels of 5 against the US dollar index, signalling that the worst is over for the time being.

Real may trade in the broader region of 4.50 and 5.50 against USD going forward.

Brazil real gained on the back of good FII inflows in to the markets in May-2020, signalling improvement in sentiments despite economy is estimated to contract by more than 6 percent during this year. Brazilian central bank is likely to go in for one more rate cut during this month meeting.

### **Vietnamese dong may remain firm**

Vietnam dong last week traded in the region of 23301 and 23242.5 and settled the week at 23244 as on Jun-05. Dong may trade in the broader region of 23150 and 23400 going forward.